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December 16, 2025

**VIA ECF**

The Honorable Craig T. Goldblatt, U.S.B.J.  
United States Bankruptcy Court  
824 North Market St., 3<sup>rd</sup> Floor  
Wilmington, DE 19801

Re: *Advantus Corp., et al. v. Prendergast, et al.*, Case No. 25-52463-CTG (Bankr. D. Del.) (the “Action”); Request for Status Conference at the Joann Wind-Down Debtors’ January 13, 2026 Omnibus Hearing

To the Honorable Judge Goldblatt:

Plaintiffs Advantus, Corp., Fairfield Processing Corp., Gwen Studios, LLC, Low Tech Toy Club LLC, Ormo Ithalat Ihracat A.S., and Springs Creative Products Group, LLC (the “Plaintiffs”),<sup>1</sup> by and through their undersigned counsel, hereby request that the Court hold a status conference at January 13, 2026, at 10 am (ET), which is the next omnibus hearing in the case captioned *In re JOANN INC.*, Case No. 25-10068 (CTG) (Bankr. D. Del.), or at the Court’s earliest convenience. *See In re JOANN INC.*, Case No. 25-10068 (CTG) (Bankr. D. Del.), D.I. 1847. The Plaintiffs wish to discuss the procedural posture of this Action as well as the motions pending or expected to be filed in this Action.

By way of background, Plaintiffs filed their initial complaint in the Court of Common Pleas of Summit County, Ohio in May 2025. Defendants removed this Action from Ohio State court to the U.S. District Court for the Northern District of Ohio (“Ohio District Court”) in mid-June 2025. Defendants then sought to transfer the Action from Ohio District Court to the U.S. District Court for the District of Delaware (the “Delaware District Court”), and then to the Bankruptcy Court for the District of Delaware. On September 11, 2025, the Ohio District Court granted that request on the papers, without oral argument. On December 11, 2025, District Court Judge Gregory B. Williams in the U.S. District Court for the District of Delaware referred the Action to this Court.

Along the way, Plaintiffs have opposed the adjudication of the Action in Federal Court. The Plaintiffs simultaneously filed two motions in the Ohio District Court. *First*, Plaintiffs sought remand to Ohio State court pursuant to 28 U.S.C. §1452(b) on the basis that the Defendants have not met their burden to establish “related to” Bankruptcy subject matter jurisdiction. *See Advantus Corp., et al. v. Prendergast, et al.*, Case No. 5:25-cv-01250-JRA (N.D. Ohio), D.I. 20. *Second*, Plaintiffs requested that the Ohio District Court abstain under 28 U.S.C. §1334(c)(1), (2). *See*

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<sup>1</sup> Plaintiffs are also defendants in the Adversary Proceeding captioned *JOANN Inc., et al. v. Advantus, Corp., et al.*, Adv. Proc. No. 25-51022-CTG (Bankr. D. Del.), Adv. D.I. 1.

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*Advantus Corp., et al. v. Prendergast, et al.*, Case No. 5:25-cv-01250-JRA (N.D. Ohio), D.I. 21. The Ohio District Court determined that it would transfer the case to the Delaware District Court and denied Plaintiffs' motion to remand (*see Advantus Corp., et al. v. Prendergast, et al.*, Case No. 5:25-cv-01250-JRA (N.D. Ohio), D.I. 25, but did not rule on Plaintiffs' abstention motion.

After the Action was transferred to the Delaware District Court, Plaintiffs refiled their remand request and refiled their abstention motion. *See Advantus Corp., et al. v. Prendergast, et al.*, Case No. 1:25-cv-01132-GBW (D. Del.); D.I. 20, 21, respectively. Defendants then moved to stay this Action pending resolution of the Adversary Proceeding captioned *JOANN Inc., et al. v. Advantus, Corp., et al.*, Adv. Proc. No. 25-51022-CTG (Bankr. D. Del.) (the "JOANN Adversary Proceeding"). *See Advantus Corp., et al. v. Prendergast, et al.*, Case No. 1:25-cv-01132-GBW (D. Del.); D.I. 34 (the "Motion to Stay").

On December 11, 2025, again without oral argument, Judge Williams denied Plaintiffs' renewed motion for remand while ordering that the Action be referred to this Court pursuant to the Amended Standing Order of Reference entered by Chief Judge Gregory M. Sleet on February 29, 2012.<sup>2</sup> *See Advantus Corp., et al. v. Prendergast, et al.*, Case No. 1:25-cv-01132-GBW (D. Del.); D.I. 43. Judge Williams specifically referred the Stay Motion to the Bankruptcy Court.

The Plaintiffs wish to discuss the following pending or contemplated motions with the Court, namely:

- (1) Plaintiffs' Abstention Motion under 28 U.S.C. §1334(c)(1), (2) (*see Advantus Corp., et al. v. Prendergast, et al.*, Case No. 1:25-cv-01132-GBW (D. Del.); D.I. 21);
- (2) Defendants' Motion to Stay (*see Advantus Corp., et al. v. Prendergast, et al.*, Case No. 1:25-cv-01132-GBW (D. Del.); D.I. 34); and
- (3) Plaintiffs' anticipated Second Renewed Remand Motion under 28 U.S.C. §1452(b).

At this time, the Parties have agreed to delay the timing of Defendants' response to Plaintiff's Complaint until the earlier of (i) a ruling on Defendants' pending Motion to Stay or (ii) the entry of a judgment in the JOANN Adversary Proceeding. Nonetheless, Plaintiffs believe that a status conference is appropriate and required by 11 U.S.C. §105(d), as such a status conference is necessary to further the expeditious and economical resolution of the case.

Defendants in this Action have consented to the scheduling of a status conference to occur on January 13, 2026, or at the Court's earliest convenience.

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<sup>2</sup> See *In the Matter Of: STANDING ORDER OF REFERENCE RE: TITLE 11* (D. Del. Feb. 29, 2012).

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Respectfully submitted,

**GRANT & EISENHOFER P.A.**

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cc: All Counsel of Record (via ECF)

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<sup>3</sup> See *In re JOANN INC.*, Case No. 25-10068 (CTG) (Bankr. D. Del.), D.I. 1378.

<sup>4</sup> See *JOANN Inc., et al. v. Advantus, Corp., et al.*, Adv. Proc. No. 25-51022-CTG (Bankr. D. Del.), Adv. D.I. 35.